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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

Proceeding	92053501
Party	Plaintiff Christian M. Ziebarth
Correspondence Address	KELLY K PFEIFFER AMEZCUA-MOLL ASSOCIATES PC LINCOLN PROFESSIONAL CENTER, 1122 E LINCOLN AVE SUITE 203 ORANGE, CA 92865 UNITED STATES kelly@amalaw.net, kelpfeiffer@aol.com
Submission	Opposition/Response to Motion
Filer's Name	Kelly K. Pfeiffer
Filer's e-mail	kelly@amalaw.net
Signature	/Kelly K. Pfeiffer/
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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

In the Matter of Registration No. 1043729
Date of Registration: July 13, 1976

CHRISTIAN M. ZIEBARTH
Petitioner,

Cancellation No.: 92053501

v.

DEL TACO, LLC
Registrant.

Commissioner for Trademarks
2900 Crystal Drive
Arlington, VA 22202-3513

PETITIONER'S OPPOSITION TO REGISTRANT'S MOTION FOR SANCTIONS

Petitioner CHRISTIAN M. ZIEBARTH ("Petitioner") presents this memorandum in opposition to the motion of Registrant DEL TACO, LLC ("Registrant") for sanctions. Petitioner respectfully submits that Registrant's motion should be denied in its entirety because it is unwarranted and lacks merit. First, despite Registrant's assertions to the contrary, Petitioner has not failed to comply with any order issued by the Board; Registrant cannot establish any wrongdoing by Petitioner because none has taken place, nor can it show conduct that rises to the level which would justify the sanctions Registrant seeks. Second, Registrant's motion is procedurally premature and therefore improper under 37 C.F.R. § 2.123(e)(3). Third, even if Registrant's assertions are substantively addressed, they cannot succeed as will be further detailed herein. All witnesses listed in Petitioner's Pretrial Disclosures have been disclosed through discovery, and all areas of potential testimony sought by each witness has either been disclosed to Registrant in discovery or Registrant

never propounded discovery that would trigger this information. Taken together, Registrant's motion is completely unwarranted and put forth in bad faith.

I. STATEMENT OF FACTS

Registrant's "Statement of Facts" is disingenuous and misleading. The irrelevant facts it has included have been twisted in an attempt to paint Petitioner in a negative light. As will be detailed further below, the allegations set forth by Registrant are all capable of rebuttal and the facts as they truly exist will demonstrate that Registrant's motion should be denied. Petitioner offers the following relevant recital of facts regarding the discovery between the parties.

Registrant served its first and only round of discovery on April 20, 2011, which mostly¹ revolve around the issue of Petitioner's intended use of the NAUGLES mark. In his responses served July 11, 2011, Petitioner took the legal position that information sought relating to his use or intended use of his applied-for NAUGLES mark is outside the scope of discovery with regard to the abandonment claim and is irrelevant to the issue of standing because standing has been established by Petitioner's ownership of a federal trademark application which has been refused registration based on Registrant's NAUGLES mark. *See* Moving Papers, Exhibit D ("Exhibit D"). To support his legal position, Petitioner cited, among other authority, Nirvana, Inc. v. Nirvana for Health Inc., 2010 WL 5099662, f.4 (T.T.A.B., Dec. 1, 2010) (stating that the nature and extent of petitioner's use of its mark is irrelevant in connection with petitioner's claim of abandonment of respondent's mark) in response to each discovery request relating to this issue. *See* Exhibit D. Despite Registrant's

¹ Registrant's discovery requests that did not relate to Petitioner's intended use of the NAUGLES mark were Registrant's Requests for Admissions, Nos. 68-72. The Board ruled in its January 21, 2012 Order that these requests go to unavailable equitable defenses, and therefore are not relevant. *See* TTABVue Filing # 16, p. 5.

allusions to the contrary, Petitioner's objections contained in his July 11, 2011 discovery responses were not an attempt to evade responding to discovery, but were based on a genuine and good faith belief that this information was irrelevant as justified by existing case law. The Board's January 21, 2012 Order ("January 21st Order") disagreed with Petitioner, however, and it relied upon Kaplan v. Brady, 98 USPQ2d 1830 (TTAB 2011), a case that had not yet been handed down at the time Petitioner initiated this cancellation proceeding on December 20, 2010, to support its ruling that Registrant's discovery requests were, in fact, relevant to Petitioner's standing. Registrant accepted the Board's ruling and served the ordered supplemental responses on March 14, 2012 in compliance with the January 21st Order.

Shortly thereafter, the parties entered into settlement talks and the proceeding was suspended for four months from April 17, 2012 through August 17, 2012. During this time frame, Petitioner first turned over documentation at the request of Registrant containing much of the information that Registrant claims in its moving papers that it has never seen before. Specifically, Petitioner produced a seven-page Business Plan and two pages of Operational Information, created expressly at the behest of Registrant, which Petitioner produced a second time in connection with his September 28, 2012 supplemental discovery responses. *See* Exhibit H, pp. 24-32.

When settlement talks failed and the proceeding resumed, Registrant filed a motion for sanctions on August 22, 2012, the day discovery was set to close, which contained a baseless mantra that Petitioner was "willfully evading" discovery. Among other things, Registrant's August 22nd motion made a time consuming but failed attempt to preclude Petitioner from introducing evidence regarding two things: 1) Petitioner's intent to use the NAUGLES mark, and 2) Petitioner's standing. *See* TTABVUE Filing # 29. In the Board's December 12, 2012 ruling on said motion ("December 12th Order"), the Board concluded that, for the most part, Registrant's first motion for sanctions *failed to demonstrate any wrongdoing by Petitioner.* *See* TTABVUE Filing #33, (stating that Petitioner "did provide substantive responses to the interrogatories and proper written responses to

the requests for production” (p. 5); “the Board does not find that such responses evidence a deliberate attempt to evade discovery such that default judgment should be entered or that such responses require a prohibition of introduction of certain evidence at trial” (p. 6); “[t]he Board finds that the written responses on their face do not demonstrate a deliberate attempt by petitioner to evade his discovery obligations, as aside from the improper objections, the responses otherwise properly state whether responsive documents exist and will be produced, or whether no responsive documents exist” (p. 7.); “the Board does not find a willful attempt to evade discovery” (p. 7); “the Board finds no willful evasion with respect to the requests for production such that default judgment should be entered or that the introduction of certain evidence should not be permitted at trial” (p. 7)). In fact, the Board noted that at least one of Registrant’s allegations was patently untrue. *See id.*, p. 6, fn 2.

The December 12th Order stated: 1) Petitioner must serve supplemental responses to some discovery requests, and 2) for purposes of this proceeding, Petitioner’s response to Registrant’s Request for Admission No. 1 was deemed admitted. *See id.* Petitioner served said supplemental discovery responses on September 28, 2012.² *See* Exhibits H and I. It should be noted that Petitioner served these responses of his own volition just three days after Registrant filed its reply brief in support of its August 22nd motion for sanctions. Petitioner’s willingness to assuage Registrant’s misleading allegations prior to even being ordered to do so by the Board evidences Petitioner’s good faith and ongoing attempts to cooperate and provide Registrant with the information to which it feels entitled.

² Registrant’s moving papers state that Petitioner’s second set of supplemental responses was served on December 21, 2012 (*see* moving papers, p. 4), but the proofs of service and time stamps from the fax machine at the top of every page evidence that these responses were, in reality, served on September 28, 2012. *See* Exhibits H and I to Registrant’s moving papers.

On January 24, 2013, Petitioner served his Pretrial Disclosures. *See* Exhibit A. Registrant now brings this instant motion, alleging disingenuously that Petitioner's disclosures contain information and witnesses it has not seen before and seeking unwarranted terminating or, in the alternative, evidentiary, sanctions against Petitioner.

II. MEMORANDUM

A. REGISTRANT'S MOTION IS PREMATURE UNDER 37 C.F.R. § 2.123(e)(3) AND, THEREFORE, IMPROPER.

Petitioner stands behind his assertion that his Pretrial Disclosures do not exceed the scope of discovery but, even if the Board were to determine otherwise, Registrant is jumping the gun by filing this motion before a single piece of evidence has even been introduced. Because no actual evidence has been introduced to date, Registrant is effectively asking the Board to rule on hypothetical evidence, which may or may not be introduced by Petitioner. To avoid attempts by parties such as Registrant to seek rulings on hypothetical evidence, there is a Trademark Rule directly on point for this situation which instructs Registrant how to proceed: 37 C.F.R. § 2.123(e)(3).

37 C.F.R. § 2.123(e)(3) dictates,

If pretrial disclosures or the notice of examination of witnesses served pursuant to paragraph (c) of this section are improper or inadequate with respect to any witness, an adverse party may cross-examine that witness under protest while reserving the right to object to the receipt of the testimony in evidence. Promptly after the testimony is completed, the adverse party, to preserve the objection, shall move to strike the testimony from the record, which motion will be decided on the basis of all the relevant circumstances. A motion to strike the testimony of a witness for lack of proper or adequate pretrial disclosure may seek exclusion of the entire testimony, when there was no pretrial disclosure, or may seek exclusion of that portion of the testimony that was not adequately disclosed in accordance with § 2.121(e).

The language of this rule dictates that Registrant's proper vehicle to put forth a complaint regarding objectionable evidence is to object *if and when* a witness is called to testify. However, because no evidence has been introduced, there is no way the Board can concretely determine whether

Petitioner's evidence has exceeded the scope of discovery. This is precisely what the final paragraph of the December 12th Order was referring to when it informed Registrant of its right to object in its final brief if Petitioner's evidence and argument at trial exceed the information provided during discovery. *See* TTABVUE Filing #33, p. 9.

Because Petitioner has yet to introduce a single piece of evidence, it is speculative at this stage to allege that he has exceeded the scope of discovery. As such, Registrant's motion is premature. Registrant should be required to follow proper procedure and utilize 37 C.F.R. § 2.123(e)(3) if and when the times comes that it does not approve of the evidence Petitioner is introducing.

B. NOTHING IN PETITIONER'S PRETRIAL DISCLOSURES CONSTITUTES SURPRISE EVIDENCE.

If the Board declines to agree that Registrant's motion is improper procedurally, in the alternative, Petitioner herein addresses the substance of Registrant's allegations that his Pretrial Disclosures contain evidence "not previously disclosed by Petitioner" or is "outside the scope of Petitioner's discovery responses." Moving Papers, pp. 1, 5, 6, 20. Each witness with whom Registrant takes issue and the subjects upon which they may testify do not constitute a surprise to Registrant, because they either 1) were disclosed in response to a relevant discovery request, or 2) were never triggered in response to a discovery request.

1. Registrant Has Not Applied The Correct Standard For Determining The Scope Of Evidence At Trial.

Before discussing in detail exactly how each of Petitioner's Pretrial Disclosures are proper, Petitioner first points out that Registrant's motion has not applied the correct standard for determining the proper scope of evidence at trial. Registrant's central complaint throughout its motion is that Petitioner's Pretrial Disclosures list potential evidence or witnesses that were "not

previously disclosed by Petitioner” or is “outside the scope of Petitioner’s discovery responses.” Moving papers, pp. 1, 5, 6, 20. This complaint is off the mark.

Parties are limited to introducing evidence at trial that was revealed during discovery, not limited to introducing evidence produced or revealed only by the Responding Party, in this instance, Registrant is referring to Petitioner. In essence, Registrant is arguing that, if the evidence did not originate from Petitioner, then Petitioner cannot use it at trial. Taken to its conclusion, this argument is illogical and nonsensical. If Petitioner were not allowed to introduce evidence that he received or learned about from Registrant during discovery, then there would be no point of discovery at all, because he would have no use for information, names or documents which he found by way of the discovery process. To that end, this is the only allegation that Registrant makes in this motion that is factual: It is true that Petitioner’s Pretrial Disclosures are not limited to the information Petitioner disclosed during discovery; they also contain information *disclosed by Registrant during discovery or contained in Registrant’s USPTO records*. Taken together, however, Petitioner’s Pretrial Disclosures do not exceed the scope of discovery *in toto* established during the discovery process. Naturally, this is a very important distinction, and Registrant has failed to distinguish this critical fact and properly present the circumstances to the Board.

2. All Witnesses And Areas Of Potential Testimony Are Either Known To Registrant And/Or Were Not Triggered By Registrant’s Discovery Requests.

The spirit behind Pretrial Disclosures is to ensure no unfair surprises to the adversary. However, Petitioner can only be considered to have “withheld” information, and thereby be subject to sanctions, if Registrant asked for the information in the first place and did not receive it. TBMP 527.01(e). Here, Registrant failed to ask for certain witnesses or information, and therefore, it cannot now cry that said information was “willfully withheld.” Moving Papers, p. 6.

Below, Petitioner addresses each witness with whom Registrant takes issue, and details how each was already disclosed and/or known about by Registrant. Petitioner also addresses each

potential testimony subject about which Registrant takes issue and establishes 1) when and how each testimony subject for the witness was disclosed and/or already known by Registrant, and/or 2) that Registrant never propounded any discovery that would trigger revelation of the information.

a. Michael L. Annis

Registrant's claim that Michael L. Annis is a "previously undisclosed witness" (Moving Papers, p. 2) is disingenuous, to say the least. Mr. Annis is none other than the CEO for Registrant who signed its renewal submissions to the USPTO for Registrant's NAUGLES registration, the subject of this cancellation proceeding. Registrant's registration renewals are part of the file for the NAUGLES registration and, as such, are automatically made part of the record. 37 C.F.R. §2.122(b)(1). Further, Registrant's own Initial Disclosures list "Documents relating to U.S. Trademark Registration No. 1,043,729 for NAUGLES" as documents which may contain discoverable information. *See* Registrant's Initial Disclosures, Exhibit 1 to Petitioner's Opposition Brief ("Exhibit 1"), p. 2. Because Mr. Annis' name appears multiple times within Registrant's own USPTO files already of record in this proceeding, Mr. Annis cannot possibly be considered an "undisclosed witness" nor rise to the level of any unfair surprise to Registrant.

**i. Mr. Annis' Testimony Regarding Registrant's Renewals For
The NAUGLES Registration**

As background, Petitioner takes the position that Registrant's use of the NAUGLES mark in connection with restaurant services ceased in 1995, and that the specimens filed with the USPTO in connection with Registrant's renewals do not establish that Registrant was using NAUGLES as a trademark in connection with restaurant services at the time said renewals were made. Because Mr. Annis signed the renewals, it is logical for Petitioner to consider seeking testimony from Mr. Annis on the subject matter of the renewals and specimens used. Because Mr. Annis' role in connection to said renewals is evident from the documents, seeking his testimony on this subject cannot logically be considered a surprise to Registrant.

Petitioner also points out that not one of Registrant's 15 propounded interrogatories triggers a response that would or should contain Mr. Annis' name or any information regarding this subject matter. All of Registrant's interrogatories ask for information regarding Petitioner; none seek information regarding Petitioner's theories about or anticipated showing of Registrant's abandonment of its NAUGLES mark. *See* Exhibit B. In addition, only one of Registrant's document requests can arguably be considered relevant - Document Request No. 27 - which asks for "[a]ll documents and things on which Petitioner relied in making its allegations contained in Petitioner's PETITION FOR CANCELLATION." Exhibit B. Petitioner replied to this request by stating that he would supply all responsive documents "within his possession, custody or control." Exhibit D. Registrant's own files do not fall into this category.

If Registrant failed to seek discovery regarding how Petitioner intends to establish Registrant's abandonment, his one and only ground for seeking cancellation, Petitioner cannot now be considered to have "willfully withheld" the information. Registrant's failure to ask questions that would trigger the disclosure of certain witnesses cannot be used as both a shield and a sword when all the while, the very information Registrant seeks to exclude was in their possession, custody and control. Absent a discovery request that would trigger an obligation by Petitioner to disclose how he plans to establish Registrant's abandonment, the first time Registrant would learn about a witness who may supply this testimony would be through Pretrial Disclosures.

In light of the foregoing, Registrant's assertion that Mr. Annis' name was "deliberately withheld from Del Taco in three separate productions of responses and supplemental responses" (Moving Papers, p. 6) is disingenuous, at best, and must be disregarded. Registrant knows exactly who Mr. Annis is and his relation to Registrant's renewal filings is evident from its own records. Regardless, Petitioner cannot be considered to have "withheld" Mr. Annis' name and potential areas of testimony because it was never asked for in the first place.

b. William Odell

Registrant's assertion that the identity of William Odell was "never disclosed by Petitioner in discovery or even referenced in any documents provided by Petitioner" (Moving Papers, p. 6) is simply untrue. In response to Registrant's document requests, Petitioner not once but twice provided a copy of one of his calendar entries from February 13, 2010³, which clearly states, "drove with Bill up to Visalia to meet w/Jeff Naugle to talk about reviving the old Naugles fast food chain." Exhibit H, p. 38. This calendar entry references "Bill," or Mr. Odell. The fact that Registrant never thought to conduct follow-up discovery to ask about the parties referenced in this document should not be used against Petitioner. Petitioner is not required to voluntarily provide to Registrant a summary of the meaning of each document he produces and identify the parties referenced therein. If Registrant had wanted more information concerning this document, it could have and should have served an interrogatory asking about it or deposed Petitioner and asked him.

**i. Mr. Odell's Testimony Regarding Petitioner's Bona Fide Intent To
Use The NAUGLES Mark**

Registrant falsely alleges that "this is the first time Del Taco has even become aware of Mr. Odell's relationship with Petitioner or Mr. Odell's alleged knowledge relevant to this case and Petitioner's alleged bona fide intent to use the mark at issue." Moving Papers, p. 6. First, Mr. Odell's relationship with Petitioner and knowledge relevant to this case is clearly evident from Petitioner's twice-produced calendar entry which is dated prior to Petitioner's filing of his trademark application, as detailed above. *See* Exhibit H, p.38. Notwithstanding the calendar entry, not one of Registrant's 15 propounded interrogatories asks for information on witnesses who could provide testimony to

³ Petitioner provided this document to Registrant in connection with his supplemental discovery responses dated March 14, 2012, and he provided it again in connection with his supplemental discovery responses dated September 28, 2012.

support Petitioner's intent to use the NAUGLES mark prior to filing his application. *See* Exhibit B. Registrant's Interrogatory No. 2 does seek information regarding Petitioner's activities to utilize the NAUGLES Mark prior to the filing of his trademark application, to which Petitioner thoroughly responded (*see* Exhibit F), but it does not seek information about witnesses who can attest to this information. Registrant's failure to request the triggering discovery cannot now be used against Petitioner when all the while, Registrant had the information in their possession twice. Absent an interrogatory that would trigger an obligation by Petitioner to disclose how he plans to corroborate his testimony on this subject, the first time Registrant would learn about it would be through Pretrial Disclosures. Sanctions are not appropriate nor are they designed to cure Registrant's failure to conduct thorough discovery.

c. Rob Hallstrom

Registrant takes issue with many of the subjects listed in Petitioner's Pretrial Disclosures upon which Mr. Hallstrom may potentially testify. Petitioner addresses each one throughout this brief.

**i. Mr. Hallstrom's Testimony Corroborating Petitioner's Intent To
Use The NAUGLES Mark Prior To Filing His Application**

First, Registrant's characterization of Petitioner's disclosed evidence concerning Mr. Hallstrom is anything but accurate. Mr. Hallstrom was not simply "briefly referenced in two emails produced by Petitioner" (Moving Papers, p. 7). In reality, Petitioner produced 18 pages of emails in connection with his March 14, 2012 supplemental responses which were written between Petitioner and Mr. Hallstrom, all concerning NAUGLES, locations, menu items, Del Taco's cease of use of the mark, and more, most dated prior to Petitioner's filing of his application. *See* Exhibit 2.⁴ These

⁴ Mr. Hallstrom's email address has been redacted to preserve his privacy, and page numbers have been hand-written at the bottom of each page for the Board's ease of reference. These are

emails go directly to establishing, among other things, Petitioner's intent to use the NAUGLES mark prior to filing his application on May 17, 2010.

A second reason why Mr. Hallstrom's testimony may be presented to corroborate Petitioner's intent to use the NAUGLES mark prior to filing his application is that, once again, none of Registrant's interrogatories seek the names of witnesses who can provide testimony to support Petitioner's intent to use the NAUGLES mark prior to filing his application. Registrant's Interrogatory No. 2 does seek information regarding Petitioner's activities to utilize the NAUGLES Mark prior to the filing of his application, to which Petitioner thoroughly responded (*see* Exhibit F), but it does not seek information about other witnesses who can attest to this information. If Registrant failed to seek discovery regarding how Petitioner intends to corroborate his testimony on this subject, it is through no fault of Petitioner. Absent an interrogatory that would trigger an obligation by Petitioner to disclose how he plans to corroborate his testimony on this subject, Petitioner had no obligation to provide this information prior to Pretrial Disclosures. Given the foregoing, Mr. Hallstrom cannot be precluded from offering testimony corroborating Petitioner's intent to use his mark prior to filing his application.

2. All Information Was Disclosed And/Or Registrant Never Propounded Discovery On The Subject.

There are many subjects matters on which Registrant seeks to preclude Petitioner from introducing evidence, namely Petitioner's efforts to secure funding (Moving Papers, p.8), interactions with Del Taco representatives (Moving Papers, p.9), interactions with members of the Naugle family (Moving Papers, p.10), interactions with "unnamed third parties" (Moving Papers, p. 10-11),

the only two changes to the original documents that have been made. These documents were produced to Registrant without redaction or hand-written page numbers in connection with Petitioner's March 14, 2012 supplemental discovery responses.

restaurant design (Moving Papers, p. 11), business development and promotion (Moving Papers, p. 11-12), and visits to potential restaurant sites (Moving Papers, p.12). Petitioner already produced documents to Registrant on these subjects, and/or Registrant never propounded discovery that would trigger the information as a response.

**a. Evidence Regarding Efforts To Secure Funding To Support Petitioner's
Bona Fide Intent To Use.**

Registrant complains that Petitioner has only previously disclosed efforts to secure funding from March 21, 2012 (Moving Papers, p. 8), and it references page 9 of Exhibit H to support this complaint, presumably directing the Board's attention to Interrogatory No. 14. Interrogatory No. 14 asks Petitioner to "identify all *sources of funding* to finance Petitioner's NAUGLES Products." Exhibit H, p. 9 (*emphasis added*). Petitioner responded to this interrogatory thoroughly, even going so far as to provide a highly confidential, seven-page Business Plan and two pages of Operational Information which contains this information on funding. See Exhibit H, pp. 9-10 and pp. 24-32.

Interrogatory No. 14 asks for concrete sources of funding; it does not seek information regarding all of Petitioner's efforts to secure funding, including those that did not come to fruition. This is, in no way, an attempt by Petitioner to twist Registrant's words, as Petitioner did reveal all sources of its funding. See Exhibit H, p. 31 ("Sources of funding are from private investor. Family, friends, and silent investors combined have committed over \$1,000,000, contingent upon securing the Naugles Trademark or use thereof, to bring back the Naugles Franchise"). Registrant's discovery did not ask Registrant when he began seeking funding and/or with whom he discussed these subjects. Because Registrant failed to make these inquiries, giving Registrant information regarding attempted but failed efforts to secure funding was not responsive to the interrogatory.

Despite the fact that Registrant never asked for it, Petitioner did, nevertheless, produce documents referring to his efforts to secure funding prior to the filing of his application. In conjunction with his March 14, 2012 supplemental responses, Petitioner produced 18 pages of emails

between himself and Mr. Hallstrom. *See* Exhibit 2. In an email from Petitioner to Mr. Hallstrom dated January 4, 2010, Petitioner asked Mr. Hallstrom if he had any interest in helping to open a new restaurant. *See* Exhibit 2, pp. 2-3. Mr. Hallstrom replied in a second email on the same day that “there is always an interest” and requested more information. *See* Exhibit 2, p. 2. Petitioner wrote back, again on the same date, telling Mr. Hallstrom his idea was about Naugles. *See* Exhibit 2, pp. 1-2

In an email from Mr. Hallstrom to Petitioner dated March 9, 2010, Mr. Hallstrom clearly states, “After creating the corp, the next step is to create operating capitol,” and he goes on to discuss this issue. *See* Exhibit 2, p. 9.

In an email from Petitioner to Mr. Hallstrom dated March 4, 2010, Petitioner clearly states, “Now I have to see if Jeff can front the \$10,000 attorney fee.” Exhibit 2, p. 11. This is a blatant reference to Petitioner’s attempt to have Jeff Naugle fund his efforts to secure the NAUGLES mark, the first step necessary to eventually using it. This email goes directly toward establishing the fact that Petitioner made efforts to secure funding prior to filing his application.

It is clear from these multiple emails that Petitioner did produce documents evidencing his efforts to secure funding prior to filing his application and that Mr. Hallstrom participated in this exchange and, thus, has knowledge of these issues. In light of these emails that Registrant has had for over a year, Registrant’s demand that “Petitioner should now be precluded from offering any evidence as to financial funding prior to March 21, 2012” (Moving Papers, p. 8) is unwarranted. Registrant either already has the information or as was often the case as noted above, never sought it in the first place.

i. Possible Witnesses With Testimony Regarding

Efforts To Secure Funding

Registrant alleges that Petitioner’s discovery did not “disclose any efforts on the part of Mr. Maxwell, Mr. Dvorak, Mr. Hallstrom, Ms. Caruso or Mr. Naugle” to obtain funding. Moving

Papers, p. 8. Again, Registrant's interrogatories never asked for information regarding efforts to secure funding; Registrant was only concerned with the concrete funding that Petitioner could show. *See* Exhibit B, p. 6, Interrogatory No. 14. However, despite not being asked for it, Petitioner still produced documents showing a relationship between these potential witnesses and this subject. By way of the produced emails discussed above, Petitioner has already established how Mr. Hallstrom and Mr. Naugle were involved, however tangentially, in Petitioner's efforts to secure funding prior to filing his application. *See* Exhibit 2. With regard to Mr. Maxwell and Mr. Dvorak, it was made clear to Registrant through discovery responses that these men are Petitioner's business partners. *See* Exhibit H, p. 2 ("On or about March 21, 2012, Petitioner entered into a general partnership with Josh Maxwell and Daniel Dvorak to provide additional funding and to continue plans to open Naugles restaurants"). Mr. Maxwell was also one of the main drafters of Petitioner's Business Plan and Operational Information which was provided to Registrant with Petitioner's September 28, 2012 supplemental discovery responses, *See* Exhibit H, pp. 24-32. Petitioner's Business Plan and Operational Information discusses investment presentations and potential business loans, so it should come as no surprise that Mr. Maxwell and Mr. Dvorak can testify on these subjects. If Registrant wanted further information as to who helped to draft Petitioner's Business Plan and Operational Information and/or who helped contribute to the information contained there, Registrant could have and should have asked about it through written discovery or taken Petitioner's deposition.

With regard to Ms. Caruso, Petitioner disclosed her name both in response to written interrogatories (*see* Exhibit H, p. 3) and in five pages of emails between Ms. Caruso and Petitioner regarding Petitioner's interest in utilizing the NAUGLES mark dating back prior to his May 17, 2010 filing date. *See* Exhibit 3.⁵ With regard to Ms. Caruso potentially speaking to Petitioner's efforts to

⁵ Ms. Caruso's phone number and email address have been redacted, as well as the personal email address of Petitioner, to preserve their privacy. Page numbers have been hand-written at

secure funding, Petitioner reiterates that Registrant failed to seek discovery on anything other than the established funding Petitioner had secured; no discovery was sought with regard to efforts by Petitioner that were ultimately unsuccessful and, as such, Registrant would not have known that Ms. Caruso could potentially speak to this issue prior to reviewing Petitioner's Pretrial Disclosures.

**b. Testimony And Documents Regarding Interactions And Discussions With
Del Taco Representatives.**

Registrant's allegations regarding testimony as to interactions and discussions with Del Taco representatives also lacks merit. *See* Moving Papers, p. 9. To support its contention that it made "clear and repeated requests" for this information, Registrant points to pp. 3, 7 and 23 of Exhibit B⁶, its interrogatories and document requests, none of which contain questions that ask for the names of witnesses who can give testimony regarding Petitioner's interactions and discussions with Del Taco representatives. In fact, the only interrogatory that asks for witnesses at all is Interrogatory No. 3, which seeks the names of people with "information concerning Petitioner's selection of Petitioner's NAUGLES mark." Exhibit B, p. 3. Del Taco representatives, such as Ms. Caruso and Noah Chillingworth, played no role in Petitioner's selection of the mark NAUGLES; thus, their names are not responsive and responses provided were thorough and in good faith.

In response to Registrant's document request No. 5 which ask for "All documents and things evidencing Petitioner's intent to use Petitioner's NAUGLES Mark when Petitioner filed its

the bottom of each page for the Board's ease of reference. These are the only changes to the original documents that have been made. These documents were produced to Registrant without redaction or hand-written page numbers in connection with Petitioner's March 14, 2012 supplemental discovery responses.

⁶ There is no "page 23," as Exhibit B to the moving papers is only 10 pages long.

application with the United States Patent and Trademark Office.” (Exhibit B, p. 7), Petitioner produced multiple pages of emails between himself and Ms. Caruso (*see* Exhibit 3), as well as an email he sent to Noah Chillingworth. *See* Exhibit 4. These documents evidence Petitioner’s interactions with Del Taco’s representatives. For an unknown reason, Registrant points out that Mr. Chillingworth never responded to Petitioner’s correspondence, but the fact remains that Petitioner did initiate an interaction with him, thus constituting an “interaction with a Del Taco representative,” as listed in his Pretrial Disclosures. Petitioner’s emails with Ms. Caruso and Petitioner’s email to Mr. Chillingworth, taken together, can accurately be described as “interactions and discussions with Del Taco representatives.” Petitioner is hard-pressed to understand what, exactly, Registrant takes issue with on this point.

With regard to Mr. Hallstrom’s potential testimony regarding Petitioner’s “interactions and discussions with Del Taco representatives,” Registrant never asked for witnesses who could corroborate Petitioner’s testimony on this issue. Because Registrant, once again, never propounded discovery that would trigger this information, Petitioner’s Pretrial Disclosures would be the first time Registrant would learn that this was an area to which Mr. Hallstrom could potentially speak.

Once again, Registrant’s demand that Petitioner should be precluded from offering this evidence should be disregarded. Registrant already had documents showing Petitioner’s interactions with Ms. Caruso and Mr. Chillingworth, and it never asked for witnesses who could corroborate Petitioner’s testimony. Petitioner cannot now be hamstrung based on Registrant’s failure to propound follow up or thorough discovery that would have triggered the disclosure of these witnesses. Also noteworthy is the clear fact that these witnesses were known to Registrant as they are Registrant’s very own representatives and as such can never amount to any unfair surprise to Registrant.

c. Testimony As To Interactions With Members Of The Naugle Family

Registrant seeks to preclude Petitioner from offering evidence of meetings or interactions with members of the Naugle family by Mr. Maxwell, Mr. Dvorak, Mr. Hallstrom or Ms. Caruso. Moving Papers, p. 10. Once again, Registrant seeks to hinder Petitioner because Registrant failed to thoroughly conduct discovery or depose any witnesses.

In response to Registrant's document requests, Petitioner provided emails between himself and Jeff Naugle and Bill Naugle, emails which Registrant acknowledges having and refers to in its moving papers (Moving Papers, p. 10). The fact that Petitioner is in touch with members of the Naugle family speaks to his *bona fide* intent to use their Naugle name by way of the NAUGLES mark. None of Registrant's interrogatories seek information regarding the names of witnesses that could corroborate Petitioner's testimony on this subject. As such, Pretrial Disclosures marks the first time Registrant would learn that Mr. Maxwell, Mr. Dvorak (as Petitioner's business partners) and/or Ms. Caruso can corroborate that Petitioner is in contact with members of the Naugle family. Petitioner has already, *ad nauseum*, demonstrated through the 18 pages of emails between himself and Mr. Hallstrom that Mr. Hallstrom had knowledge of Petitioner's interactions with members of the Naugle family. (see Exhibit 2, pp. 1, 9, 10 and 11).

Based on the foregoing, Petitioner should not be precluded from introducing evidence of meetings or interactions with members of the Naugle family by Mr. Maxwell, Mr. Dvorak, Mr. Hallstrom or Ms. Caruso.

d. Petitioner Does Not Seek To Introduce Testimony As To Interactions

“With Unnamed Third Parties.”

Registrant takes issue with Petitioner's assertion in his Pretrial Disclosures that Mr. Maxwell, Mr. Hallstrom and Petitioner may testify regarding “interactions and discussions with other individuals concerning the revival of the NAUGLES brand.” Registrant makes a weak attempt to twist this verbiage to support an off-the-wall theory that testimony of “unnamed third parties” may be

introduced into evidence. Contrary to Registrant's assertions, this phrase simply means that these individuals can testify about interactions with other named witnesses on this issue. This is not an attempt by Petitioner to blanketly cover unknown potential witnesses; during his testimony period, Petitioner will not seek testimony from any individual not expressly named in Petitioner's Pretrial Disclosures.

The first full paragraph of p. 11 of Registrant's motion seeks to preclude Mr. Hallstrom's testimony regarding "revival of the NAUGLES brand" by falsely claiming that Registrant served a discovery request "directly on this point." Registrant directs the Board to Interrogatory No. 3, which asks Petitioner to "[i]dentify each person with any information concerning Petitioner's selection of Petitioner's NAUGLES Mark." Exhibit B, p. 3. Mr. Hallstrom does not have information regarding Petitioner's decision to select NAUGLES as his mark; Petitioner had already selected the mark prior to initiating discussions on the subject with Mr. Hallstrom. As such, Mr. Hallstrom's name was not responsive. Registrant asks nothing about the "revival of the NAUGLES brand" anywhere in its discovery and to claim otherwise is a blatant fabrication. Mr. Hallstrom's testimony should not be precluded on this issue simply because Registrant, once again, failed to conduct thorough discovery and ask for witnesses who could speak on this subject.

f. Dan Dvorak's Testimony Regarding Restaurant Design, Business Development, Promotions, And Visits To Potential Restaurant Sites

Registrant seeks to preclude testimony from Dan Dvorak on the subjects of restaurant design, business development, promotions, and visits to potential restaurant sites, and Registrant claims ignorance as to Mr. Dvorak's "role" in Petitioner's business intentions with regard to the NAUGLES mark. Moving Papers, pp. 11-12. In response to Interrogatory No. 1, Petitioner explained, clear as day, that Petitioner has entered into a general partnership with Mr. Dvorak to "provide additional funding and to continue plans to open Naugles restaurants." Exhibit H, p. 2. Further, Mr. Dvorak contributed to the contents of Petitioner's Business Plan and Operational Information, which covers

all of these areas, so it should come as no surprise that Mr. Dvorak can testify on these subjects. The impetus was on Registrant to seek further discovery, either written or through depositions, if it wanted information prior to Pretrial Disclosures as to who helped to draft Petitioner's Business Plan and Operational Information and/or who helped contribute to the information contained there. As such, Mr. Dvorak should not be precluded from testifying on these subjects.

C. PETITIONER IS NOT ATTEMPTING TO ADD NEW CLAIMS.

In an attempt to create an issue where none exists, Registrant makes an unsupported allegation that Petitioner is "attempting to raise brand new claims and issues." Moving Papers, p. 18. The document through which Registrant thinks that Petitioner is trying to add new claims is a Pretrial Disclosure, which is not typically filed with the Board. How Registrant can argue with a straight face that Petitioner is someone attempting to amend his petition to add new claims via this document is beyond him. Registrant has cherry-picked terms from Petitioner's Pretrial Disclosures, such as "veracity" and "swearing under penalty of perjury," to make the incredible leap that Petitioner is somehow trying to allege new claims. Petitioner has not sought to amend his petition to add any new claims and, at the moment, has no intention of doing so.

Further, Registrant's opinion as to how and why Petitioner may use certain evidence has no place here. If Petitioner wants to introduce evidence questioning whether the specimens filed in connection with Registrant's registration renewals show trademark use or whether use of the NAUGLES mark had long ceased prior to 2006, despite Del Taco's sworn statement to the contrary, it is his prerogative to do so. Should Registrant take issue with its evidentiary value or admissibility, it can utilize 37 CFR § 2.123(e)(3), as outlined above.

D. THERE IS NOTHING TO "ESTOP" UNDER TBMP 527.01(e).

Registrant seeks evidentiary sanctions under TBMP 527.01(e), which states, "A party that responds to a request for discovery by indicating that it does not have the information sought, or by stating objections thereto, may be barred by its own action from later introducing the information

sought in the request as part of its evidence on the case . . .” TBMP 527.01(e) (*emphasis added*). Petitioner has outlined in lengthy detail exactly how all of the witnesses and information listed in his Pretrial Disclosures are either already known to Registrant and thus do not constitute unfair surprise, or were never triggered by a discovery request from Registrant. As such, Registrant’s motion to estop Petitioner from introducing the complained-about witnesses and information must fail.

**E. PETITIONER HAS NOT FAILED TO COMPLY WITH A DISCOVERY ORDER
AND, AS SUCH, REGISTRANT’S MOTION FAILS UNDER TBMP 527.01(a).**

1. Petitioner Complied With The January 21, 2012 Board Order.

The January 21st Order ruled that Registrant’s discovery requests were, in fact, relevant to Petitioner’s standing, and ordered Petitioner to provide supplemental responses. *See* TTABVUE Filing #16. In compliance, Petitioner served substantive, supplemental responses on March 14, 2012. *See* Exhibits F and G. Despite Registrant’s allegation to the contrary, it is clear from Registrant’s own Exhibits F and G that Petitioner served the requisite substantive, supplemental responses. As such, the January 21st Order has not been violated.

2. Petitioner Complied With The December 12, 2012 Board Order.

The December 12th Order stated: 1) Petitioner must serve supplemental responses to a few, specific discovery requests, and 2) for purposes of this proceeding, Petitioner’s response to Registrant’s Request for Admission No. 1 was deemed admitted. *See* TTABVUE Filing # 33. Petitioner served said supplemental discovery responses on September 28, 2012 (*see* Exhibits H and I), and Petitioner has not attempted to introduce evidence that would contradict his admittance of Registrant’s Request for Admission No. 1. As such, Petitioner has complied with the December 12th Order.

3. No Conduct By Petitioner Warrants Sanctions Under TBMP 520.01(a).

As outlined above, Petitioner has not failed to comply with a Board Discovery Order under TBMP 527.01(a). Registrant, just like in its August 22, 2012 motion for sanctions (*see* TTABVUE

Filing #29), again makes an unwarranted attempt to characterize Petitioner's actions as nothing short of downright deceitful and devious by repeatedly using phrases such as "willful disregard" and "willful evasion." *See, e.g.,* Moving Papers, p. 5. The facts as they truly exist evidence the contrary.

The December 12th Order declined to characterize any of Petitioner's actions as "willful" or "gross misconduct." On the contrary, the Board made repeated references to Petitioner's good-faith attempts to comply with discovery requests. *See* TTABVUE Filing #33 (stating that Petitioner "did provide substantive responses to the interrogatories and proper written responses to the requests for production" (p. 5); "the Board does not find that such responses evidence a deliberate attempt to evade discovery such that default judgment should be entered or that such responses require a prohibition of introduction of certain evidence at trial" (p. 6); "[t]he Board finds that the written responses on their face do not demonstrate a deliberate attempt by petitioner to evade his discovery obligations, as aside from the improper objections, the responses otherwise properly state whether responsive documents exist and will be produced, or whether no responsive documents exist" (p. 7.); "the Board does not find a willful attempt to evade discovery" (p. 7); "the Board finds no willful evasion with respect to the requests for production such that default judgment should be entered or that the introduction of certain evidence should not be permitted at trial" (p. 7)).

Registrant now seeks even harsher sanctions than it did in its August 22nd motion, and it attempts to justify such harsh sanctions with more baseless accusations of "willful disregard" and "willful evasion." Registrant's instant motion appears to simply ignore the fact that no willful misconduct by Petitioner has been established nor recognized by the Board. If the Board did not see any actions by Petitioner to justify application of these harsh terms in its December 12th Order, then Registrant cannot, by definition or in good faith, assert "continued misconduct." Registrant is attempting to build a pattern of "continued misconduct" but has failed to establish any underlying misconduct to serve as a basis and as noted above, the Board has actually and clearly found to the contrary. As such, Registrant is incapable of demonstrating a "strong showing of willful evasion," as

required under TBMP 527.01(a) to justify judgment against Petitioner. Given the foregoing, Registrant's motion for sanctions under TBMP 527.01(a) must fail.

F. CONCLUSION

Registrant's pending motion for sanctions is full of misrepresentations and disingenuous statements. Both this motion and Registrant's first motion for sanctions have not been filed in good-faith, but for the improper purpose of drawing focus away from the merits of this case and forcing Petitioner to spend money defending them, in the hopes that he will be unable to financially continue. Registrant hopes to draw focus away from the merits of this case by making false accusations against Petitioner's conduct in a vain attempt to maintain a registration for a mark it abandoned over a decade ago. The fact that this motion is fraught with countless, broad-sweeping and slanderous accusations of wrongdoing, such as Petitioner's "sheer magnitude of such willful and deliberate behavior" (p. 19), his "unabashed intention to evade" (p. 19), and his "continued, willful and evasive misconduct" (p. 20), should be a red flag that Registrant's dramatic approach is nothing more than a red herring, designed to deter from the simplicity of this case: Registrant's abandonment of its mark. Further, Registrant is so threatened by the totality of the factual evidentiary support that it recognizes the only fighting chance they have is to stop the case before it gets to a fair trial on the merits, which should be permitted.

Based on this brief and the exhibits filed by both Registrant and Petitioner, it is clear that Petitioner can show standing and can easily offer proof of his intent to use the NAUGLES mark prior to the filing of his application. To this end, the only thing "willful and ongoing" in this proceeding is Registrant's transparent attempts to get this proceeding dismissed on anything other than its merits.

Petitioner respectfully submits that Registrant's motion should be denied in its entirety and that the parties be allowed to move forward with their respective trial periods and a fair trial on the merits without further delay.

Respectfully submitted,

CHRISTIAN M. ZIEBARTH

By /Kelly K. Pfeiffer./

Attorney for Petitioner

Kelly K. Pfeiffer

AMEZCUA-MOLL & ASSOCIATES, P.C.

Lincoln Professional Center

1122 E. Lincoln Ave., Suite 203

Orange, CA 92865

CERTIFICATE OF SERVICE

I certify that a copy of the foregoing **PETITIONER'S OPPOSITION TO REGISTRANT'S MOTION FOR SANCTIONS** was served upon April L. Besl, DINSMORE & SHOHL, LLP , attorney of record for the Registrant in this action by depositing one copy thereof in the United States mail, first-class postage prepaid on March 27, 2013 and addressed as follows:

April L. Besl, Esq.
DINSMORE & SHOHL, LLP
255 East Fifth Street
Cincinnati, OH 45202

/Kelly K. Pfeiffer/
Kelly K. Pfeiffer
AMEZCUA-MOLL & ASSOCIATES, P.C.
Lincoln Professional Center
1122 E. Lincoln Ave., Suite 203
Orange, CA 92865
Attorney for Petitioner CHRISTIAN M. ZIEBARTH